# Renters' Rights Bill

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# Abolish section 21 and use Section 8 Grounds for possession

### For mandatory grounds

The court must award possession if the ground is proven.

#### For discretionary grounds

For discretionary grounds, the court can consider if eviction is reasonable, even when the ground is met. With section 8 notices served by the agent if done incorrectly i.e. under false pretences e.g. saying a landlord is selling and they are not) restrictions are in place meaning the agent can receive penalties, however this does not apply to solicitors. Notices can be served on month 8 to expire at month 12 (for 4 monthly notices)



Mandatory Grounds	Reason	Summary	Notice Period
1	Occupation by landlord/family	Landlord or family member moving in (not within first 12 months of new tenancy).	4 months
1A	Sale of dwelling-house	Landlord selling the property (not within first 12 months of new tenancy).	4 months
1B	Sale under rent-to-buy	Private registered provider of social housing selling under rent-to-buy.	4 months
2	Sale by mortgagee	Property under mortgage, lender requires vacant possession.	4 months
22A	Possession (superior lease ends)	Landlord's lease under superior tenancy that is ending.	4 months
22B	Possession (superior lease ends)	Superior tenancy ending (applies to leases over 21 years).	4 months
22C	Possession by superior landlord	After superior lease ends, superior landlord takes possession (applies to registered providers, agricultural landlords, supported accommodation).	4 months
22D	Possession by superior landlord	Superior landlord takes possession after a 21+ year fixed-term lease expires or is ended by valid notice.	4 months
4	Student accommodation	Property let to students in the previous year (only for specified educational institutions).	2 weeks
4A	HMO student accommodation	HMO for full-time students in line with academic year (tenancy must not be agreed more than 6 months in advance).	4 months
5	Ministers of religion	Property held for a minister's duties and required for their occupation.	2 months



Mandatory Grounds	Reason	Summary	Notice Period
5A	Agricultural Worker	Required for housing an agricultural worker.	2 months
5B	Employment-Linked Housing	Property for tenants meeting employment-linked housing requirements.	2 months
5C	End of Employment	Tenant's employment has ended, and property is required for a new employee.	2 months
5D	End of Employment Requirements	Tenant no longer fulfills employment-based tenancy conditions.	2 months
5E	Supported Accommodation	Tenant did not enter tenancy for care/support purposes.	4 weeks
5F	Supported Housing No Longer Suitable	Property is no longer suitable for the tenant's needs.	4 weeks
5G	Homelessness Duty Ends	Temporary accommodation under housing duty is no longer required.	4 weeks
5H	'Stepping Stone' Housing	Tenant no longer meets eligibility for supported 'stepping stone' housing.	2 months
6	Redevelopment	Landlord intends to demolish/redevelop property.	6 months
6A	Decant for Redevelopment	Alternative accommodation provided due to redevelopment.	4 months
6B	Compliance with Enforcement	Landlord required to take possession for compliance with enforcement action.	4 months
7	Death of Tenant	Tenancy cannot be passed on under inheritance rules.	2 months
7A	Criminal/Anti-Social Behavior	Tenant convicted of a serious crime or ASB offense.	Immediate
7B	No Right to Rent	Tenant does not have the legal right to rent in the UK.	2 weeks
8	Rent Arrears	Tenant has at least 3 months (or 13 weeks) of unpaid rent.	4 weeks



Discretionary Grounds	Reason	Summary	Notice Period
9	Alternative Housing Available	Suitable alternative accommodation exists.	2 months
10	Any Rent Arrears	Tenant owes rent (any amount).	4 weeks
11	Persistent Rent Arrears	Repeated failure to pay rent on time.	4 weeks
12	Breach of Tenancy	Tenant violated tenancy agreement (not rent-related).	2 weeks
13	Property Damage	Tenant caused damage to the property.	2 weeks
14	Anti-Social Behavior	Tenant or visitor engaged in ASB or criminal activity.	Immediate
14A	Domestic Abuse	Eviction of domestic abuser if the victim has fled.	2 weeks
14ZA	Rioting	Tenant involved in UK riot-related crime.	2 weeks
15	Furniture Damage	Tenant damaged provided furniture.	2 weeks
17	False Statement	Tenancy was obtained through false information.	2 weeks
18	Supported Accommodation Refusal	Tenant refuses to engage with provided support.	4 weeks



### Rentin advance

The Renters' Rights Bill will end the practice of landlords demanding large amounts of rent in advance from tenants looking to secure a tenancy.

Once enacted, the Renters' Rights Bill will amend the Tenant Fees Act 2019 to prohibit landlords or letting agents from requiring or accepting any payment of rent in advance of the tenancy being entered into.

A landlord will only be able to require up to one month's rent (or 28 days' rent for tenancies with rental periods of less than one month) once a tenancy agreement has been signed and before commencement.

The Renters' Rights Bill will also amend the Housing Act 1988 to provide that, once a tenancy starts, a landlord will be unable to enforce any terms in a tenancy agreement that require rent to be paid in advance of the agreed due date.



# Periodic Tenancies

The Renters' Rights Bill will remove fixed-term assured tenancies.

12 months

Instead, all tenancies will be periodic, Tenants will benefit from a 12-month protected period at the beginning of a tenancy, during which landlords cannot evict them to move in or sell the property. Landlords will need to provide notice in line with the relevant eviction ground, giving tenants more time to find a new home.

2 months

Tenants must provide 2 months' notice to end the tenancy; this can be given at any time during the tenancy



# O4 Private Rented Sector Landlord Ombudsman The government will introduce a new Private Rented Sector Landlord Ombudsman Service, which all private landlords in England with assured or regulated tenancies will be required by law to join, including those who use a managing agent.

#### Tenants will be able to use the service for free to complain about a landlords' actions or behaviours:

- The service will offer fair, impartial and binding resolution for tenants, and will have powers to compel landlords to issue an apology, provide information, take remedial action, and/or pay compensation.
- The service will also benefit landlords by resolving tenant-initiated complaints in the quickest and most cost-effective way possible. Landlords will also have access to guidance and support from the ombudsman service to help them improve their complaint handling practices.
- The bill includes robust enforcement measures for the ombudsman service. Local councils will be able to take action against landlords who fail to join, or against anyone who markets a PRS property where the landlord is not registered.
- This will include civil penalties of up to £7,000 for initial breaches and up to £40,000 or criminal prosecution for continuing or repeated breaches. Tenants will be able to seek rent repayment orders against their landlord if the landlord commits an offence by persistently failing to join the ombudsman service.

### Private Rented Sector Database

The Renters' Rights Bill will introduce a new Private Rented Sector Database



#### All landlords will legally be required to do so

All landlords of assured and regulated tenancies will be legally required to register themselves and their properties on the database and could be subject to penalties if they market or let out a property without registering it and providing the required information.

The database will provide a 'one stop shop' for landlords allowing them to access relevant guidance through a single 'front door'. This will provide the basis for an effective service, helping landlords understand their obligations and demonstrate compliance. The database will also be used for communicating changes to requirements – ensuring landlords have access to simple up-to-date information about their responsibilities.

### Prohibiting rental discrimination

Rental discrimination against families with children or people who receive benefits have no place in a fair and modern housing market. Everyone in the private rented sector is entitled to a safe and decent home and prospective tenants should be considered on an individual basis.

The Renters' Rights Bill will take direct action to address rental discrimination practices in the private rented sector. It will address both overt discriminatory practices, such as 'No DSS' adverts, and situations where landlords or letting agents use other indirect practices to prevent someone entering into a tenancy.

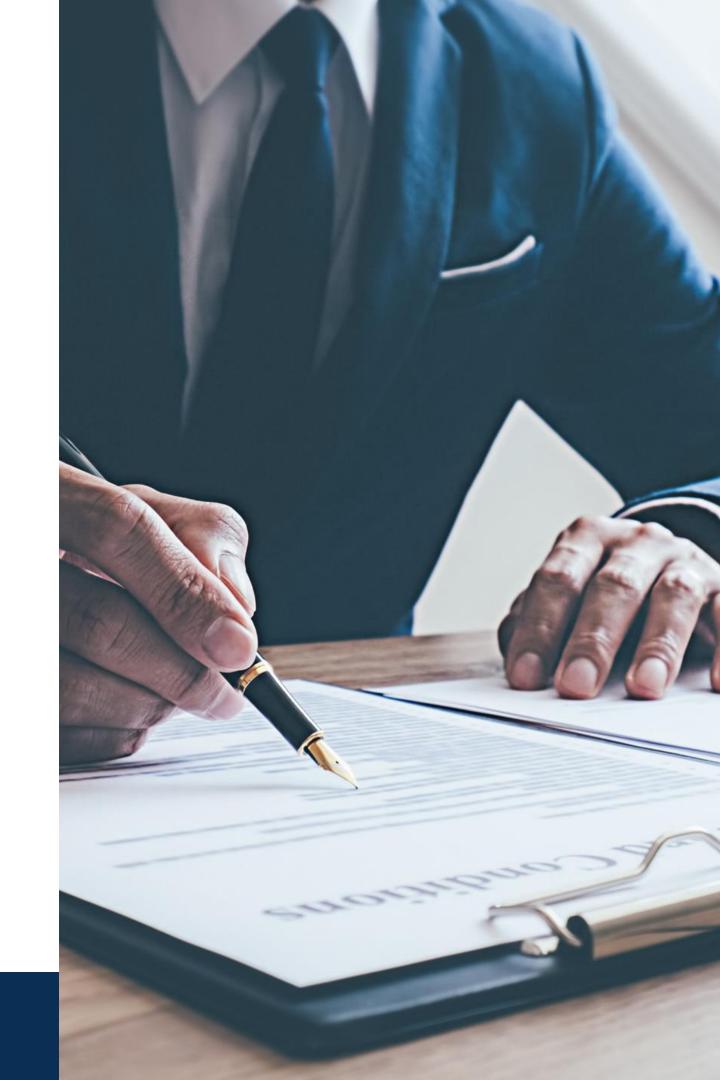
Landlords and agents will continue to have the final say on who they let their property to and can carry out referencing checks to make sure tenancies are sustainable for all parties. They will be able to do this based on affordability, but not on the basis the prospective tenant has children or is in receipt of benefits.



# Rental Bidding

The Renters' Rights Bill will end the unfair practice of pitting renters against each other in bidding wars.

By outlawing rental bidding, the renters rights bill will level the playing field for renters and crack down on the minority of unscrupulous landlords who make the most of the housing crisis by forcing tenants to bid for their properties

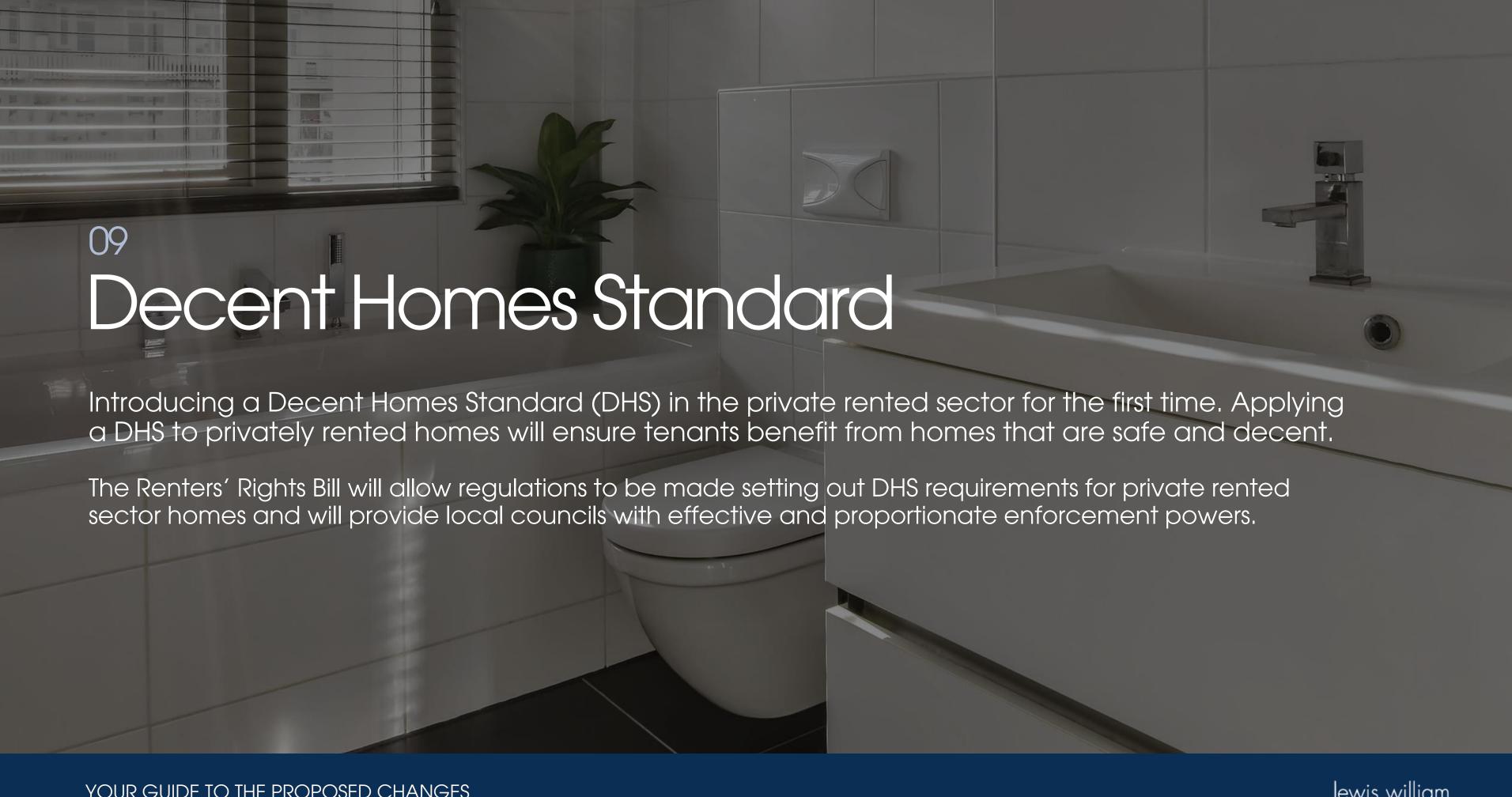




### Renting with pets

The Renters' Rights Bill will ensure landlords do not unreasonably withhold consent when a tenant requests to have a pet in their home, with the tenant able to challenge unfair decisions.

We know that some landlords are concerned about potential damage caused by pets. That is why the Renters' Rights Bill will allow landlords to require insurance covering pet damage. This will provide landlords with reassurance that any damage caused by a pet can be taken care of, and that the responsibility for preventing and resolving damage caused by a pet will fall to the tenant.



### What does 'decent' mean?

#### A "decent" home must meet the following criteria:

- Ensuring a property is in a reasonable state of repair. This includes key building components like the roof, chimneys, and internal amenities such as kitchens and heating systems.
- 12 Having reasonably modern facilities and services.
- Kitchens must be less than 20 years old with adequate space and layout, and bathrooms must be under 30 years old. Adequate noise insulation and sufficient common entrance areas are also required.
- In cases where physical or planning restrictions prevent improvements, the property will not automatically fail these criteria. Demolition and new builds may be considered more appropriate in some cases.
- Providing a reasonable degree of thermal comfort
- Properties must have efficient heating systems and proper insulation. For oil or gas heating, cavity wall insulation or 50mm of loft insulation is required, while for electric storage heaters or solid fuel heating, 200mm loft insulation is necessary.
- The heating systems must be able to heat two or more rooms in the home and, even if the system covers most of the house, landlords need to make sure the home is warm enough for their tenants under the HHSRS (Housing Health and Safety Rating System).



### 10 Awaab's Law

Following the tragic and avoidable death of 2-year old Awaab Ishak due to prolonged exposure to mould in his social rented home, the Manchester Evening News, Shelter and the Ishak family led a campaign for 'Awaab's Law'. This was introduced for social housing through the Social Housing (Regulation) Act 2023.

The Renters' Rights Bill will now extend Awaab's Law to privately rented homes. This will ensure that all renters in England are empowered to challenge dangerous conditions and that all landlords must take swift action to make sure homes are safe.



# Enforcement & investigatory powers

The reforms being introduced will be underpinned by an effective, consistent and proportionate enforcement framework. The government are extending councils' powers to collect and retain revenue for future enforcement work from financial penalties against landlords who flout the rules.

Initial or minor non-compliance will incur a civil penalty of up to £7,000 and serious, persistent or repeat non-compliance a civil penalty of up to £40,000, with the alternative of a criminal prosecution.





### What's <u>changing</u> on enforcement?

01

Civil penalties and Rent repayment orders are being extended, placing a new duty on councils to take enforcement action and enhancing their powers of investigation to make that easier.

02

Local councils will be able to issue civil penalties against landlords who fail to comply with our reforms – for example if they fail to register on the Private Rented Sector Database or with the ombudsman or abuse the new grounds of possession.

03

First or minor non-compliance will incur a civil penalty of up to £7,000 and serious or repeat non-compliance a civil penalty of up to £40,000.

04

For serious and repeat non-compliance, local councils will alternatively be able to pursue a criminal prosecution with an unlimited fine.





### What's <u>changing</u> on enforcement?

<u>05</u>

For the first time, local councils will also be able to issue civil penalties against landlords who evict their tenants illegally.

<u>06</u>

Local councils will be able to issue civil penalties against landlords who fail to comply with the reforms – for example if they fail to register on the Private Rented Sector Database or with the ombudsman or abuse the new grounds of possession.

<u>07</u>

We are introducing enhanced investigatory powers that will make it easier for local councils to obtain financial information from landlords and third parties when seeking to build a case against landlords for suspected abuses.

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A national framework for setting civil penalties is being explored based on clear culpability and harm considerations, supporting a consistent approach to civil penalty setting and reducing the likelihood of reductions on appeal.



# Rent Repayment Orders

#### What is a rent repayment order?

A rent repayment order is a mechanism through which, currently, a landlord who has committed an offence can be ordered to repay an amount of rent to the tenant or local authority.

Where a tenant believes their landlord has committed a listed offence, they can apply to the First-tier Tribunal for a rent repayment order. If the Tribunal is satisfied beyond reasonable doubt that the landlord has committed one of the listed offences, it can order the landlord to repay an amount of rent.



### What's changing on rent repayment orders?

- We are extending rent repayment orders to superior landlords and company directors to ensure criminal rent-to-rent arrangements can be properly held to account.
- Rent repayment orders will apply to new offences in the bill, to ensure robust tenant-led enforcement and better compliance with the new system.
- Landlords who have previously been subject to enforcement action for an offence will be required to pay the maximum rent repayment order amount if they commit that offence again, to crack down on repeat offenders.
- The maximum amount of rent a landlord can be ordered to pay will double from 12 to 24 months, increasing the deterrent effect of rent repayment orders and making them more appealing for tenants and local authorities to pursue.
- Extending the period in which a tenant or local authority can apply for a rent repayment order after the offence from 12 to 24 months, making them easier for tenants and local authorities to pursue and helping prevent them from being timed out.
- Where a landlord has been convicted of or received a financial penalty for licensing offences or any of the relevant offences across the bill, they will be required to pay the maximum rent repayment order amount. This will ensure the deterrent effect is equally strong across all listed offences and that the deterrent effect is increased for the offences to which this provision did not previously apply.



